



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2016
OF THE CONDITION AND AFFAIRS OF THE
HAP Midwest Health Plan, Inc.

NAIC Group Code	1311 (Current Period)	1311 (Prior Period)	NAIC Company Code	95814	Employer's ID Number	38-3123777
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	01/01/1994		Commenced Business	01/01/1994		
Statutory Home Office	2850 West Grand Blvd (Street and Number)		Detroit, MI, 48202 (City or Town, State, Country and Zip Code)			
Main Administrative Office			2850 West Grand Blvd (Street and Number)			
	Detroit, MI, 48202 (City or Town, State, Country and Zip Code)				(888)654-2200 (Area Code) (Telephone Number)	
Mail Address	PO Box 2578 (Street and Number or P.O. Box)		Detroit, MI, 48202 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records			2850 West Grand Blvd (Street and Number)			
	Detroit, MI, 48202 (City or Town, State, Country and Zip Code)				(888)654-2200 (Area Code) (Telephone Number)	
Internet Web Site Address	www.Hap.org/midwest					
Statutory Statement Contact	Dianna L. Ronan, CPA (Name)		(248)443-1093 (Area Code)(Telephone Number)(Extension)			
	dronan@hap.org (E-Mail Address)		(248)443-8610 (Fax Number)			

OFFICERS

Name	Title	#
Michael Genord, MD	President	
Wright Lassiter III	Chairman	
Dan Champney	Secretary	
Todd Hutchison	Treasurer	

OTHERS

Mark H. Tucker MD

DIRECTORS OR TRUSTEES

Wright Lassiter III Dan Champney Michael Genord MD #	Mary Ann Tournoux Todd Hutchison
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State of Michigan
County of Wayne ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Michael Genord, MD	Dan Champney	Todd Hutchison
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this day of , 2016	a. Is this an original filing? b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes[X] No[]
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(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds	1,024,924		1,024,924	36,132,587
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....7,667,784), cash equivalents (\$.....0) and short-term investments (\$.....72,901,500)	80,569,284		80,569,284	126,422,230
6.	Contract loans (including \$.....0 premium notes)				
7.	Derivatives				
8.	Other invested assets				
9.	Receivables for securities				
10.	Securities lending reinvested collateral assets				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	81,594,208		81,594,208	162,554,816
13.	Title plants less \$.....0 charged off (for Title insurers only)				
14.	Investment income due and accrued	13,600		13,600	217,783
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection				590,986
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3	Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers	741,135		741,135	1,212,301
16.2	Funds held by or deposited with reinsured companies				
16.3	Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	4,606,145		4,606,145	3,042,000
18.1	Current federal and foreign income tax recoverable and interest thereon				1,160,014
18.2	Net deferred tax asset	2,776,615	557,810	2,218,805	2,899,605
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	548,802	548,802		
21.	Furniture and equipment, including health care delivery assets (\$.....0)				
22.	Net adjustments in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				
24.	Health care (\$.....0) and other amounts receivable	5,432,195		5,432,195	8,947,788
25.	Aggregate write-ins for other-than-invested assets	1,586,809	1,586,809		0
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	97,299,509	2,693,421	94,606,088	180,625,294
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	97,299,509	2,693,421	94,606,088	180,625,294
DETAILS OF WRITE-INS					
1101.	.....			
1102.	.....			
1103.	.....			
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	Prepaid Assets	1,586,809	1,586,809		0
2502.	.....			
2503.	.....			
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,586,809	1,586,809		0

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	24,038,584		24,038,584	74,415,625
2.	Accrued medical incentive pool and bonus amounts	2,585,224		2,585,224	2,615,681
3.	Unpaid claims adjustment expenses	797,267		797,267	1,863,283
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	10,607,125		10,607,125	6,950,330
9.	General expenses due or accrued	1,160,195		1,160,195	4,049,755
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))	3,520,015		3,520,015	
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	566,976		566,976	1,075,253
16.	Derivatives				
17.	Payable for securities				527,592
18.	Payable for securities lending				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20.	Reinsurance in unauthorized and certified (\$.....0) companies				
21.	Net adjustments in assets and liabilities due to foreign exchange rates				
22.	Liability for amounts held under uninsured plans				
23.	Aggregate write-ins for other liabilities (including \$.....0 current)	2,551,315		2,551,315	31,765,207
24.	Total liabilities (Lines 1 to 23)	45,826,701		45,826,701	123,262,725
25.	Aggregate write-ins for special surplus funds	X X X	X X X		
26.	Common capital stock	X X X	X X X		186,230
27.	Preferred capital stock	X X X	X X X		
28.	Gross paid in and contributed surplus	X X X	X X X	220,000	33,770
29.	Surplus notes	X X X	X X X		
30.	Aggregate write-ins for other-than-special surplus funds	X X X	X X X		
31.	Unassigned funds (surplus)	X X X	X X X	48,559,387	57,142,569
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	48,779,387	57,362,569
34.	Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	94,606,088	180,625,294
DETAILS OF WRITE-INS					
2301.	Liability - State Tax Refunds	2,551,315		2,551,315	4,468,882
2302.	Unearned Proceeds from Membership Transfer				27,296,325
2303.	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	2,551,315		2,551,315	31,765,207
2501.	.....	X X X	X X X		
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	72,390	886,273	1,170,468
2.	Net premium income (including \$.....0 non-health premium income)	X X X	90,971,523	367,204,186	502,842,558
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X	(11,196)	(289,318)	(923,926)
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	90,960,327	366,914,868	501,918,633
Hospital and Medical:					
9.	Hospital/medical benefits		30,817,594	188,696,020	257,456,660
10.	Other professional services		31,210,070	32,992,334	51,132,953
11.	Outside referrals		2,007,123	4,450,333	6,365,342
12.	Emergency room and out-of-area		4,351,083	20,386,752	27,680,144
13.	Prescription drugs		7,466,531	44,598,472	57,441,113
14.	Aggregate write-ins for other hospital and medical				
15.	Incentive pool, withhold adjustments and bonus amounts		488,648	2,456,040	4,944,855
16.	Subtotal (Lines 9 to 15)		76,341,050	293,579,951	405,021,067
Less:					
17.	Net reinsurance recoveries		985,775	1,035,530	1,250,564
18.	Total hospital and medical (Lines 16 minus 17)		75,355,274	292,544,421	403,770,503
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses		2,733,838	3,985,579	6,077,398
21.	General administrative expenses		9,995,900	37,511,494	49,048,806
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		88,085,012	334,041,494	458,896,706
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	2,875,315	32,873,374	43,021,926
25.	Net investment income earned		583,746	338,754	452,138
26.	Net realized capital gains (losses) less capital gains tax of \$.....0		301,695	(44,418)	(43,728)
27.	Net investment gains or (losses) (Lines 25 plus 26)		885,441	294,336	408,409
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses		30,507,300		
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	34,268,056	33,167,710	43,430,336
31.	Federal and foreign income taxes incurred	X X X	11,471,019	9,822,374	15,946,981
32.	Net income (loss) (Lines 30 minus 31)	X X X	22,797,037	23,345,336	27,483,354
DETAILS OF WRITE-INS					
0601.	Revenue-Other	X X X		361,451	
0602.	Management Fee Income	X X X		172,249	172,249
0603.	Child & Adolescent Health Center Fee	X X X	(11,196)	(823,018)	(1,096,174)
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	(11,196)	(289,318)	(923,926)
0701.	.....	X X X			
0702.	.....	X X X			
0703.	.....	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	.....			
1402.	.....			
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)				
2901.	Membership transfer gain		30,507,300		
2902.	.....			
2903.	.....			
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		30,507,300		

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	57,362,569	39,760,659	39,760,659
34.	Net income or (loss) from Line 32	22,797,037	23,345,336	27,483,354
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax	(680,800)	(1,024,727)	850,000
39.	Change in nonadmitted assets	(699,419)	(260,188)	(164,431)
40.	Change in unauthorized and certified reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus	(186,230)		
45.	Surplus adjustments:			
45.1	Paid in	186,230		
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders	(30,000,000)		(10,000,000)
47.	Aggregate write-ins for gains or (losses) in surplus		(559,189)	(567,014)
48.	Net change in capital and surplus (Lines 34 to 47)	(8,583,182)	21,501,232	17,601,910
49.	Capital and surplus end of reporting period (Line 33 plus 48)	48,779,387	61,261,891	57,362,569
DETAILS OF WRITE-INS				
4701.	Correction of Immaterial Error - State Tax		(902,094)	(902,094)
4702.	Correction of Immaterial Error - Tax		342,905	335,081
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)		(559,189)	(567,014)

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance	95,219,304	370,829,063	509,406,513
2.	Net investment income	787,929	522,639	695,155
3.	Miscellaneous income	(11,196)	(289,318)	(923,919)
4.	TOTAL (Lines 1 to 3)	95,996,038	371,062,384	509,177,750
5.	Benefit and loss related payments	121,776,012	276,894,992	379,083,944
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	23,949,846	39,849,148	56,142,177
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)	6,790,990	11,331,961	16,795,327
10.	TOTAL (Lines 5 through 9)	152,516,849	328,076,101	452,021,448
11.	Net cash from operations (Line 4 minus Line 10)	(56,520,811)	42,986,283	57,156,301
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds	48,179,688	22,552,601	28,524,835
12.2	Stocks			
12.3	Mortgage loans			
12.4	Real estate			
12.5	Other invested assets			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7	Miscellaneous proceeds		1,261,702	527,718
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7)	48,179,688	23,814,303	29,052,553
13.	Cost of investments acquired (long-term only):			
13.1	Bonds	12,958,567	43,078,717	49,156,377
13.2	Stocks			
13.3	Mortgage loans			
13.4	Real estate			
13.5	Other invested assets			
13.6	Miscellaneous applications	527,592	1,062	0
13.7	TOTAL investments acquired (Lines 13.1 to 13.6)	13,486,159	43,079,779	49,156,378
14.	Net increase (or decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	34,693,529	(19,265,476)	(20,103,825)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes			
16.2	Capital and paid in surplus, less treasury stock			
16.3	Borrowed funds			
16.4	Net deposits on deposit-type contracts and other insurance liabilities			
16.5	Dividends to stockholders	30,000,000		10,000,000
16.6	Other cash provided (applied)	5,974,336	(709,469)	25,616,917
17.	Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(24,025,664)	(709,469)	15,616,917
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(45,852,946)	23,011,338	52,669,394
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year	126,422,230	73,752,836	73,752,836
19.2	End of period (Line 18 plus Line 19.1)	80,569,284	96,764,174	126,422,230

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	94,119	1,804						6,844	85,471	
2. First Quarter	7,968							6,220	1,748	
3. Second Quarter	8,733							6,831	1,902	
4. Third Quarter	8,051							5,952	2,099	
5. Current Year										
6. Current Year Member Months	72,390							56,566	15,824	
Total Member Ambulatory Encounters for Period:										
7. Physician	125,345							76,721	48,624	
8. Non-Physician	104,286							64,607	39,679	
9. Total	229,631							141,328	88,303	
10. Hospital Patient Days Incurred	12,572							4,043	8,529	
11. Number of Inpatient Admissions	2,127							1,511	616	
12. Health Premiums Written (a)	91,648,011							65,453,102	26,194,909	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	91,648,011							65,453,102	26,194,909	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services										
18. Amount Incurred for Provision of Health Care Services	76,341,050							58,050,533	18,290,517	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....65,453,102.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Claims unpaid (Reported)						
HRA/GME/SNAF	34,000	32,000	29,000	68,000	1,532,108	1,695,108
Pharmacy Benefit Manager	(147,868)					(147,868)
PCP-IPP Enhanced Payment					332,844	332,844
0199999 Individually Listed Claims Unpaid	(113,868)	32,000	29,000	68,000	1,864,952	1,880,084
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered						
0499999 Subtotals	(113,868)	32,000	29,000	68,000	1,864,952	1,880,084
0599999 Unreported claims and other claim reserves						22,158,500
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						24,038,584
0899999 Accrued Medical Incentive Pool And Bonus Amounts						2,585,224

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	124,766		271,882		396,648	427,658
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare	16,664,551	39,182,767	1,400,000	8,571,724	18,064,551	15,263,837
7.	Title XIX - Medicaid	51,461,963	18,231,573	2,400,000	11,394,978	53,861,963	58,724,130
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	68,251,280	57,414,340	4,071,882	19,966,702	72,323,162	74,415,625
10.	Healthcare receivables (a)		120,948				
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	177,060	41,040	2,438,620	146,604	2,615,680	2,615,681
13.	Totals (Lines 9 - 10 + 11 + 12)	68,428,340	57,334,432	6,510,502	20,113,306	74,938,842	77,031,306

(a) Excludes \$.00 loans or advances to providers not yet expensed.

Notes to Financial Statement

The interim financial information presented below has been prepared under the assumption that users of such interim financial information have either read or have access to the annual statement of HAP Midwest Health Plan, Inc. (the "Company") for the fiscal year ended December 31, 2015. Accordingly, footnote disclosures that would substantially duplicate the disclosures contained in the December 31, 2015 annual statement or audited financial statements have been omitted.

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of HAP Midwest Health Plan, Inc. (Plan) have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual (NAPPM) and the NAIC Annual Statement Instructions (NASI) to the extent that these accounting practices, procedures and reporting standards are not modified by accounting practices prescribed or permitted by the State of Michigan Department of Insurance and Financial Services (DIFS).

DIFS recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining the financial condition and results of operation of an insurance company. The NAPPM has been adopted as a component of prescribed or permitted practices by DIFS.

A reconciliation of the Plan's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

NET INCOME	State of Domicile	2016	2015
(1) Plan State Basis (Page 4, Line 32, Columns 2 & 3)	Michigan	\$22,797,037	\$23,345,337
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(3) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(4) NAIC SAP (1-2-3=4)	Michigan	<u>\$22,797,037</u>	<u>\$23,345,337</u>
SURPLUS			
(5) Plan State Basis (Page 3, Line 33, Columns 3&4)	Michigan	\$48,779,387	\$57,362,569
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(7) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(8) NAIC SAP (5-6-7=8)	Michigan	<u>\$48,779,387</u>	<u>\$57,362,569</u>

Financial statements prepared on the statutory basis vary in some respects from those prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and in some cases, those differences may be material. The significant accounting principles, as outlined above, were followed in the preparation of the statutory basis financial statements. Had the financial statements been prepared in accordance with the accounting principles generally accepted in the United States of America, the following differences would have been noted:

- Certain assets are "non-admitted" and are charged against surplus, such as prepaid expenses, electronic data processing equipment and software, furniture and deferred tax assets.
- Purchase Price Accounting (Goodwill and Other Intangibles) Assets, amortization and associated Deferred Taxes are recorded on the acquired company's GAAP financial statements. Our parent corporation, HAP, has accounted for its investment in the Plan in accordance with Statement of Statutory Accounting Principles (SSAP) No 68, *Business Combinations and Goodwill*.
- Deferred income taxes are admitted in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, *Income Taxes*, a Replacement of SSAP No. 10R and SSAP No. 10 effective January 1, 2012. Changes in deferred income taxes are credited or charged directly to unassigned surplus as opposed to income tax expense.
- The classification of items included in the Statements of Cash Flows - statutory basis differs from GAAP.
- The disclosures required by the statutory basis differ from GAAP.

B. Use of Estimates - No significant change

C. Accounting Policy

The Plan operates under a capitated Medicaid contract with the Michigan Department of Community Health (MDCH). In addition, the Plan has a contract with the Centers for Medicare and Medicaid Services (CMS) for Medicare beneficiaries. For 2016 and 2015, these contracts provided the majority of the Plan's operating revenues. Revenue is recognized during the month in which coverage for enrolled members is in effect. Amounts receivable or payable as a result of the contract reconciliation process are recorded in the year known or a reasonable estimate is determinable. For certain Medicaid premiums, amounts may be returned to the state if certain minimum amounts are not spent on defined medical care costs, or the Company may receive additional premiums if amounts spent on medical care costs exceed a defined maximum threshold.

1. Short-term investments – No significant change
2. Bonds – No significant change

Notes to Financial Statement

- 3. Common Stocks – Not applicable
- 4. Preferred Stocks – Not applicable
- 5. Mortgage Loans – Not applicable
- 6. Loan-backed securities- Not Applicable
- 7. Investments in Subsidiaries, controlled and affiliated companies – Not applicable
- 8. Investments in Joint Ventures, partnerships and limited liability companies – Not applicable
- 9. Derivatives – Not applicable
- 10. The Company was not required to record a premium deficiency reserve at December 31, 2015.
- 11. The Plan’s method of estimating liabilities for unpaid medical claims – No significant change
- 12. Capitalization policy – No modification of capitalization policy
- 13. Pharmaceutical/Rebates Receivable – No significant change

2. Accounting Change and Correction of Errors

Not applicable

3. Business Combination and Goodwill

- A. Statutory Purchase Method- Not applicable
- B. Statutory Merger- Not applicable
- C. Assumption Reinsurance- Not applicable
- D. Impairment Loss- Not applicable

4. Discontinued Operations

Not applicable

5. Investments

- A. Mortgage Loans – Not applicable
- B. Debt Restructuring – Not applicable
- C. Reverse Mortgages – Not applicable
- D. Loan-Backed Securities– Not Applicable
- E. Repurchase Agreements – Not applicable
 - 1. Not applicable
 - b. Not applicable
- F. Real Estate – Not applicable
- G. Investment in Low-Income Housing Tax Credits – Not applicable
- H. Restricted Assets- No significant change
- I. Working Capital Finance Investments- Not applicable
 - 1. Not applicable
 - 2. Not applicable
 - 3. Not applicable
- J. Offsetting and Netting of Assets and Liabilities- Not applicable
- K. Structured Notes- Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Plan has no investments in Joint Ventures, Partnerships, or limited Liability Companies that exceed 10% of its admitted assets
- B. The Plan did not recognize any impairment write down for investments in Joint Ventures, Partnerships and, Limited Liability Companies during the Statement Periods.

7. Investment Income

Not applicable

8. Derivative Instruments

Notes to Financial Statement

Not applicable

9. Income Taxes

No change in methodology.
\$11,471,019 is the estimated Federal Income Tax for the six months ended September 30, 2016.

10. Information Concerning Parent, Subsidiaries and Affiliates

No significant change

11. Debt

- A. Not applicable
- B. Not applicable

12. Employee Benefit Plan

- A. Defined Benefit Plan
4. Not applicable
- B. Investment Policies and Strategies – Not applicable
- C. Fair Value of Each Class of Plan Assets – Not applicable
- D. Basis to determine the overall expected long-term rate of return on assets assumptions – Not applicable
- E. Defined Contribution Plan – No significant change
- F. Multiemployer Plans – Not applicable
- G. Consolidated/Holding Company Plans– Not applicable
- H. Post-employment Benefits and Compensated Absences – Not applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits – Not applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- 1. Capital stock – No significant change
- 2. Preferred stock – Not applicable
- 3. Dividend Restrictions - No significant change
- 4. Dates and amounts of dividends paid – The Plan declared and accrued a \$30,000,000 dividend payable as of June 30, 2016. The Plan and Its parent company, HAP, requested and received approval from The State of Michigan, DIFS, for the \$30,000,000 dividend, \$17,483,354 as ordinary and \$12,516,646 as extraordinary, that was paid in July 2016.
- 5. Dividend Restrictions Based on Profits - No significant change
- 6. Restrictions on Unassigned Funds (Surplus) – Not applicable
- 7. Advances to Surplus not Repaid – Not applicable.
- 8. Stock held for Special Purposes – Not applicable.
- 9. Changes in special Surplus funds – Not applicable
- 10. There are no cumulative unrealized gains and losses that reduce Unassigned funds (Surplus)
- 11. Surplus Notes – Not applicable
- 12. Impact of a Restatement Due to a Quasi-reorganization – Not applicable
- 13. The Effective Date(s) of a Quasi-Reorganization for the Prior Ten Years – Not applicable

14. Commitments and Contingencies

- A. Contingent Commitments - Not applicable
- B. Guaranty fund and other assessments - Not applicable
- C. Gain Contingencies - Not applicable
- D. Claims Related Extra Contractual Obligation and Bad, Faith Losses Stemming from Lawsuits - Not applicable
- E. All Other Contingencies - Not applicable
- F. All Other Contingencies- Not applicable

Notes to Financial Statement

15. Leases

- A. Lessee Operating Lease
 - 1 A general description of the lessee’s leasing arrangements – No significant change
 - 2 Leases having initial or remaining noncancelable lease terms in excess of one year – No significant change
 - 3 For sale-leaseback transactions – Not applicable
- B. Lessor Leases – Not applicable
- C. Leveraged Leases – Not applicable

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

Not applicable

17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

- A. Transfers of Receivables Reported as Sales- Not applicable
- B. Transfer and Servicing of Financial Assets
 - 1. Not applicable
 - 2. Not applicable
 - a. Not applicable
 - b. Not applicable
 - c. Not applicable
 - 3. Not applicable
 - 4. Not applicable
 - a. Not applicable
 - b. Not applicable
- C. Wash Sales- Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.

- A. ASO Plans – Not applicable
- B. ASC Plans – Not applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract –
 - 1. Major components of revenue by payor – Not applicable
 - 2. Receivables from payors with account balances the greater of 10% of amounts receivable relating to uninsured accident and health plans of \$10,000 – Not applicable
 - 3. Recorded allowances and reserves for adjustment of recorded revenues – No significant change
 - 4. Adjustments to revenue resulting from audit of receivables related to revenues recorded in the prior period – Not applicable

19. Direct Premium Written/Produced by Managing General Third Agents/Third Party Administrators

No significant change

Notes to Financial Statement

20. Fair Value Measurements

- A.
(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Perpetual Preferred stock				
Industrial and Misc.	\$ 0	\$0	\$0	\$ 0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Perpetual Preferred Stocks	\$ 0	\$0	\$0	\$ 0
Bonds				
U.S. Governments	\$ 72,901,483	\$0	\$0	\$72,901,483
U.S. State	\$ 0	0	\$0	0
Industrial and Misc	17	0	0	17
Hybrid Securities	0	0	0	0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Bonds	\$72,901,500	\$0	\$0	\$72,901,500
Common Stock				
Industrial and Misc	\$ 0	\$0	\$0	\$ 0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Common Stocks	\$ 0	\$0	\$0	\$ 0
Derivative assets				
Interest rate contracts	\$ 0	\$0	\$0	\$ 0
Foreign exchange contracts	0	0	0	0
Credit contracts	0	0	0	0
Commodity futures contracts	0	0	0	0
Commodity forward contracts	0	0	0	0
Total Derivatives	\$ 0	\$0	\$0	\$ 0
Separate account assets				
	\$ 0	\$0	\$0	\$ 0
Total assets at fair value	\$72,901,500	\$0	\$0	\$72,901,500
b. Liabilities at fair value				
Derivative liabilities	\$ 0	\$0	\$0	\$ 0
Total Liabilities at Fair Value				
	\$0	\$0	\$0	\$0

Footnote:
(a) No transfers from Level 1 to Level 2.

(2) The Plan has no fair value measurements categorized within Level 3 of the fair value hierarchy.

(3) The Plan had no transfers between levels.

(4) The fair value measurements categorized within Level 2 of the fair value hierarchy reported by the Corporation are obtained primarily from independent pricing services and broker dealer quotes. Mortgage backed securities are submitted to the NAIC’s Securities Valuation Office for valuation.

(5) Derivative assets and liabilities: Not applicable

- B. Fair value information and information about other similar measurements disclosed under other accounting pronouncements combined with disclosures under SSAP No. 100, Fair Value Measurements – Not applicable

Notes to Financial Statement

C. Aggregate fair values of all financial instruments and applicable levels within the fair value hierarchy

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets/ Liabilities	(Level 1)	(Level 2)	(Level 3)	Not Practicable Carrying Value
Bonds	73,927,218	73,926,424	72,901,500	1,024,924		
Common Stock						
Derivative Assets						
Derivative Liabilities						

D. Financial instruments or classes of financial instruments for which fair value measurements are not determinable – Not applicable

21. Other Items

A. Unusual or Infrequent Items

On January 1, 2016, HAP MHP completed the transfer of Medicaid members for regions 9 and 10 to Molina Healthcare of Michigan. HAP MHP has recorded the gain on the transfer of the membership to Molina in the amount of \$30,507,300 on line 29 of the Statement of Revenues and Expenses. Also included on line 26 of the Assets page is \$3,050,730, which represents funds placed in an escrow account until final reconciliation and settlement of membership occurs.

B. Troubled Debt Restructuring – Not applicable

C. Other Disclosures

The state of Michigan is participating in CMS’s dual eligible demonstration to integrate Medicare and Medicaid services for dual eligible individuals. The Company refers to the demonstration as its Medicare-Medicaid Plan (“MMP”) implementation. The Company’s MMP was effective May 1, 2015. Results for the Medicare component of the MMP have been reported under the Medicare category, and results for the Medicaid component of the MMP have been reported under the Medicaid category. Ending membership and member months for MMP enrollees have been reported under the Medicare category.

D. Business Interruption Insurance Recoveries – Not applicable

E. State Transferable Tax Credits – Not applicable

F. Subprime Mortgage Related Risk Exposure – Not applicable

G. Retained Assets- Not Applicable

22. Events Subsequent

Type I- Not applicable

Type II-Non-recognized Subsequent Events

23. Reinsurance

No significant change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination.

The Company is subject to a medical loss ratio corridor for certain Medicaid business. The company recorded a net payable of \$5.2 million as of September 30, 2016, relating to this provision.

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of September 30, 2016 were \$24,038,584. As of September 30, 2016, \$68,251,281 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$1,932,731 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$8,998,901 favorable prior-year development since December 31, 2015 to September 30, 2016. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

Not applicable

27. Structured Settlements

Not applicable

28. Health Care Receivables - Admitted

Notes to Financial Statement

- A. Pharmaceutical/Rebates Receivable – No significant change
- B. Risk Sharing Receivable - No significant change

29. Participating Policies

Not applicable

30. Premium Deficiency Reserves

Not applicable

31. Anticipated Salvage and Subrogation

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[] No[X]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[] No[] N/A[X]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2013
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2013
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/05/2015
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[] N/A[]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$..... 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$..... 0
13. Amount of real estate and mortgages held in short-term investments:

\$..... 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[] No[X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes[] No[] N/A[X]
- If no, attach a description with this statement.
16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ 0

16.3 Total payable for securities lending reported on the liability page

\$ 0
17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank	Detroit, Michigan
The Northern Trust Company	Chicago, Illinois

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes[] No[X]
- 17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Not applicable	Hendrik Schuur	Detroit Michigan
104863	Income Research & Management	Boston Massachusetts
.....

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes[X] No[]
- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	83.521%
1.2 A&H cost containment percent	1.879%
1.3 A&H expense percent excluding cost containment expenses	0.000%
2.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Accident and Health - Non-affiliates								
93572	43-1235868 .....	..... 01/01/2016	RGA REINS CO	MO .....	..... SSL/L/I	Authorized .....	.....	.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Current Year to Date - Allocated by States and Territories

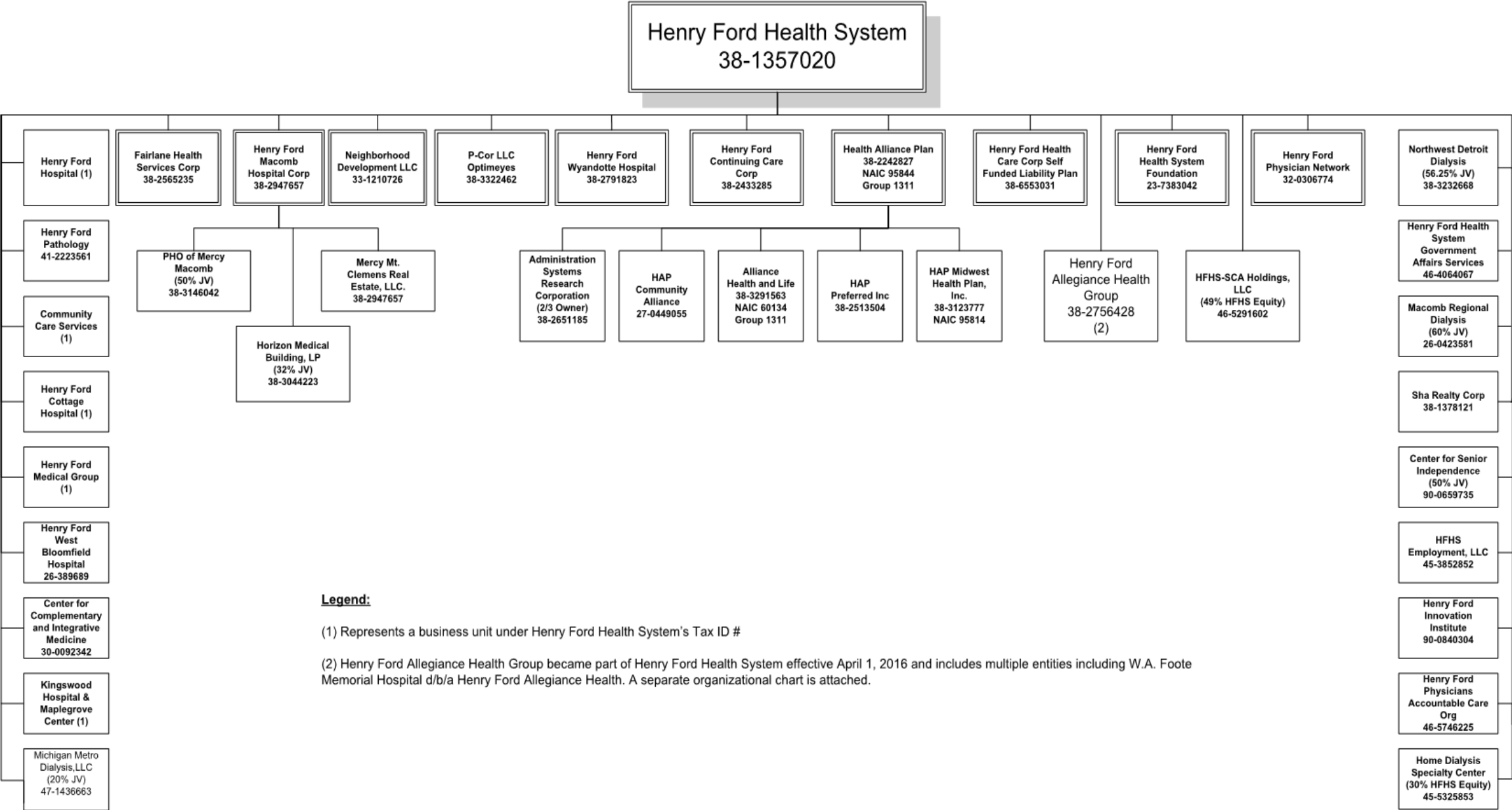
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	N								
4.	Arkansas (AR)	N								
5.	California (CA)	N								
6.	Colorado (CO)	N								
7.	Connecticut (CT)	N								
8.	Delaware (DE)	N								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N								
11.	Georgia (GA)	N								
12.	Hawaii (HI)	N								
13.	Idaho (ID)	N								
14.	Illinois (IL)	N								
15.	Indiana (IN)	N								
16.	Iowa (IA)	N								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	N								
19.	Louisiana (LA)	N								
20.	Maine (ME)	N								
21.	Maryland (MD)	N								
22.	Massachusetts (MA)	N								
23.	Michigan (MI)	L		65,453,102	26,194,909				91,648,011	
24.	Minnesota (MN)	N								
25.	Mississippi (MS)	N								
26.	Missouri (MO)	N								
27.	Montana (MT)	N								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	N								
30.	New Hampshire (NH)	N								
31.	New Jersey (NJ)	N								
32.	New Mexico (NM)	N								
33.	New York (NY)	N								
34.	North Carolina (NC)	N								
35.	North Dakota (ND)	N								
36.	Ohio (OH)	N								
37.	Oklahoma (OK)	N								
38.	Oregon (OR)	N								
39.	Pennsylvania (PA)	N								
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	N								
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	N								
44.	Texas (TX)	N								
45.	Utah (UT)	N								
46.	Vermont (VT)	N								
47.	Virginia (VA)	N								
48.	Washington (WA)	N								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	N								
51.	Wyoming (WY)	N								
52.	American Samoa (AS)	N								
53.	Guam (GU)	N								
54.	Puerto Rico (PR)	N								
55.	U.S. Virgin Islands (VI)	N								
56.	Northern Mariana Islands (MP)	N								
57.	Canada (CAN)	N								
58.	Aggregate other alien (OT)	X X X								
59.	Subtotal	X X X		65,453,102	26,194,909				91,648,011	
60.	Reporting entity contributions for Employee Benefit Plans	X X X								
61.	Total (Direct Business)	(a)..... 1		65,453,102	26,194,909				91,648,011	
DETAILS OF WRITE-INS										
58001.	.....	X X X								
58002.	.....	X X X								
58003.	.....	X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

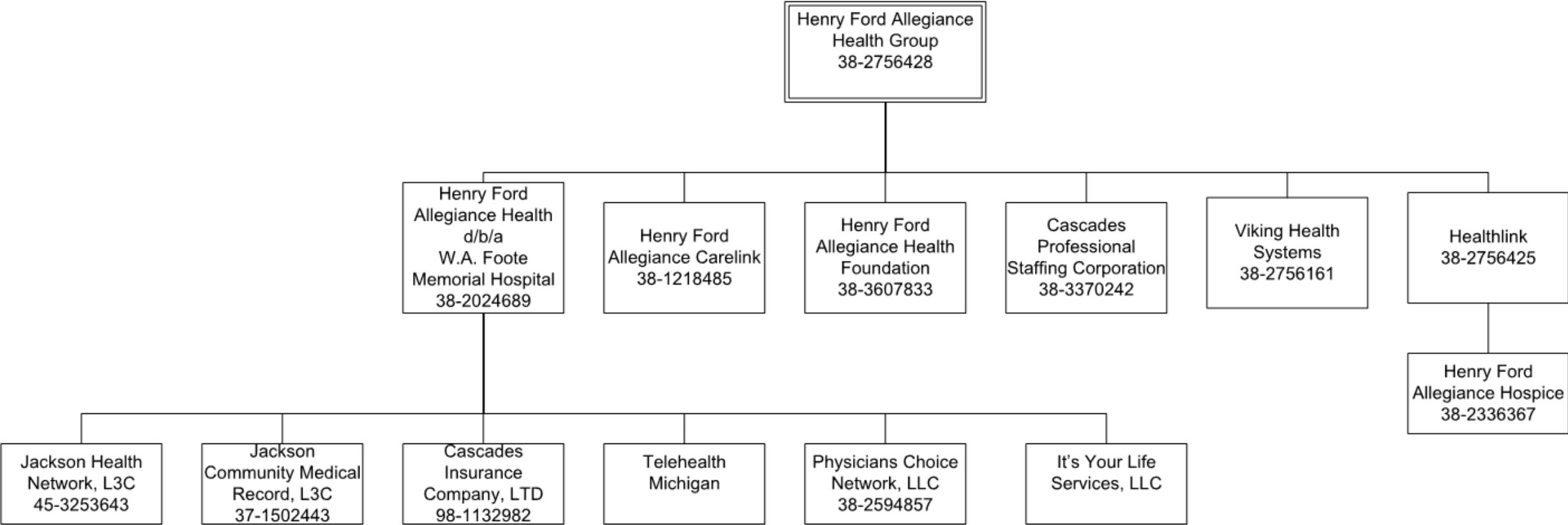
(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

Q15



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

916

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Comp- any Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domic- iliary Loca- tion	Rela- tion- ship to Report- ing Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
1311	Henry Ford Health System Group	95814	38-3123777				HAP Midwest Health Plan, Inc	MI	RE	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	95844	382242827				Health Alliance Plan of Michigan	MI	UDP	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	382513504				HAP Preferred Inc		NIA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	60134	38-3291563				Alliance Health and Life Insurance Company	MI	IA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2651185				Administration System Research Group		NIA	Health Alliance Plan of Michigan		66.7	Henry Ford Health System	
	Henry Ford Health System Group	00000	270449055				HAP Community Alliance		NIA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
	Henry Ford Health System Group	0	45-3852852				Henry Ford Health System employment, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-1357020				Henry Ford Health System		UIP					
	Henry Ford Health System Group	00000	38-2791823				Henry Ford Wyandotte		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2947657				Henry Ford Macomb Hospital		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3146042				PHO of Mercy Macomb		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2679527				Horizon Properties Inc		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2947657				Mercy Mt. Clemens Real Estate, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2565235				Fairlane Health Services Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	33-1210726				Neighborhood Development LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2433285				Henry Ford Continuing Care Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-6553031				Henry Ford Health Care Corp Self Funded Liability Plan		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	23-7383042				Henry Ford Health System Foundation		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	32-0306774				Henry Ford Physician Network		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3232668				Northwest Detroit Dialysis		NIA	Henry Ford Health System		56.3	Henry Ford Health System	
	Henry Ford Health System Group	00000	45-5325853				Home Dialysis specialty Center		NIA	Henry Ford Health System		30.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	26-0423581				Macomb Regional Dialysis		NIA	Henry Ford Health System		60.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-1378121				Sha Realty Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	90-0659735				Center for Senior Independence		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	26-3896897				Henry Ford West Bloomfield		NIA	Henry Ford Health System		100.0	Henry Ford Health System	

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
Q16.1	Henry Ford Health System Group	00000	38-3322462				P Cor, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	90-0840304				Henry Ford Innovation Insitute		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	41-2223561				Henry Ford Pathology		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	46-5746225				Henry Ford Physicians Accountable Care Organization, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	30-0092342				Center for Complementary and Integrative Medicine		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	46-4064067				Henry Ford Health System Government Affairs Services		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3044223				Horizon Medical Building, LP		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	46-5291602				HFHS-SCA Holdings, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	47-1436663				Michigan Metro Dialysis, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2756428				Henry Ford Allegiance Health Group		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2024689				Henry Ford Allegiance Health		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-1218485				Henry Ford Allegiance Carelink		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3607833				Henry Ford Allegiance Health Foundation		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3370242				Cascades Professional Staffing Corporation		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	37-2756161				Viking Health Systems		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2756425				Healththink		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	45-3253643				Jackson Health Network, L3C		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	98-1132982				Cascades Insurance Company, LTD		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000					Telehealth Michigan		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2594857				Physicians Choice Network, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000					It's Your Life Services, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2336367				Henry Ford Allegiance Hospice		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	37-1502443				Jackson Community Medical Record, L3C		NIA	Henry Ford Health System		100.0	Henry Ford Health System	

Asterisk	Explanation
0000001	.....

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF **September 30, 2016** OF THE **HAP Midwest Health Plan, Inc.**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other-than-temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

Mortgage Loans		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

Other Long-Term Invested Assets		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

Bonds and Stocks		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	36,132,587	15,920,454
2.	Cost of bonds and stocks acquired	12,958,567	49,156,377
3.	Accrual of discount	3,953	8,510
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals	301,695	(43,854)
6.	Deduct consideration for bonds and stocks disposed of	48,179,688	28,524,835
7.	Deduct amortization of premium	192,190	384,065
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	1,024,924	36,132,587
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	1,024,924	36,132,587

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	101,487,341	3,372	611,005		110,671,398	101,487,341	100,879,708	125,000,812
2. NAIC 2 (a)	0				10,242,770	0	0	9,658,502
3. NAIC 3 (a)					37,506			
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	101,487,341	3,372	611,005		120,951,673	101,487,341	100,879,708	134,659,314
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	101,487,341	3,372	611,005		120,951,673	101,487,341	100,879,708	134,659,314

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	72,901,500	X X X	150,479,663	152,990	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	98,526,726	47,739,499
2.	Cost of short-term investments acquired	124,854,437	217,866,557
3.	Accrual of discount		4
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		126
6.	Deduct consideration received on disposals	150,479,663	167,079,213
7.	Deduct amortization of premium		246
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	72,901,500	98,526,726
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	72,901,500	98,526,726

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X
9899999	Subtotal - Preferred and Common Stocks				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X
9999999	Total - Bonds, Preferred and Common Stocks				..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

SCHEDULE D - PART 4
Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments					X X X																
0599999 Subtotal - Bonds - U.S. Governments					X X X															X X X	X X X
Bonds - U.S. Special Revenue, Special Assessment																					
07388YAE2	BSCMS 07PR16 A4 - CMBS		08/01/2016	Adjustment	X X X	11											11	11	(11)	06/11/2040	1FM
20047RAE3	COMM 07C9 A4 - CMBS		08/01/2016	Adjustment	X X X	19											19	19	(19)	12/10/2049	1FM
61758FAB8	MSRR 09GG10 A4B - CMBS		09/01/2016	Adjustment	X X X	(51)											(51)	(51)		08/12/2045	2FE
92887JAD5	VFET 161 A4 - ABS		08/01/2016	Adjustment	X X X						0		0		0					09/15/2020	1FE
3128S5XQ2	RMBS - FH 1Q1587		07/15/2016		X X X														237	06/01/2016	0
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	(21)					0		0		0		(21)	(21)		207	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
					X X X										0						
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X										0					X X X	X X X
8399997 Subtotal - Bonds - Part 4					X X X	(21)					0		0		1		(21)	(21)		207	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	(21)					0		0		1		(21)	(21)		207	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X		X X X													X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	(21)	X X X				0		0		1		(21)	(21)		207	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
open depositories										
Comerica Bank	Detroit, MI			0.310	3,417	1,270	7,539,813	9,540,440	7,671,063	X X X
Comerica Bank	Detroit, MI						(2,708)	(3,196)	(3,279)	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories ..			X X X	X X X ..						X X X
0199999 Totals - Open Depositories			X X X	X X X ..	3,417	1,270	7,537,104	9,537,243	7,667,784	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories										
			X X X	X X X ..						X X X
0299999 Totals - Suspended Depositories			X X X	X X X ..						X X X
0399999 Total Cash On Deposit			X X X	X X X ..	3,417	1,270	7,537,104	9,537,243	7,667,784	X X X
0499999 Cash in Company's Office			X X X	X X X ..	X X X	X X X ..				X X X
0599999 Total Cash			X X X	X X X ..	3,417	1,270	7,537,104	9,537,243	7,667,784	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents

**INDEX TO HEALTH
QUARTERLY STATEMENT**

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Accounting Practices and Policies; Q5; Q10, Note 1

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Capital Gains (Losses)

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 Unrealized; Q4; Q5

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